

NEWS RELEASE

UNITED STATES DEPARTMENT OF AGRICULTURE • FARM SERVICE AGENCY

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USDA Makes Funding Changes to the Biomass Crop Assistance Program (BCAP)

Amherst, MA, May 16, 2011 – Massachusetts USDA Farm Service Agency (FSA) State Executive Director Richard J. Burke announced a provision that limits the amount of Biomass Crop Assistance Program (BCAP) funding available at \$112 million for fiscal year (FY) 2011.

BCAP supports agricultural and forest land owners and operators through two distinct processes. The first process utilizes an approved project area to support the production of eligible energy crop feedstock produced within the project area. Project sponsors must submit project area proposals to John Devine, State Program Specialist, Massachusetts State FSA Office, 445 West Street, Amherst, MA 01002 by May 27, 2011.

Approved project area participants may qualify for BCAP assistance under a contract agreement with Commodity Credit Corporation (CCC). Through this agreement, BCAP assistance is provided in the form of crop establishment and annual contract payments.

The second BCAP process is implemented through matching payments earned for the collection, harvest, storage and transportation (CHST) of eligible biomass materials to a qualified biomass conversion facility by eligible material owners. Currently, only herbaceous species are considered eligible materials for CHST matching payments. The implementation of the CHST for woody biomass species is expected to begin this summer.

"Both matching payments and annual payments will be affected by the reduction in program funding," said SED Burke. "At this time matching payments for woody biomass have not been authorized, however, FSA anticipates that matching CHST payments for woody biomass species will be implemented this summer," he said.

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